THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI YOGINDER K. ALAGH): (a) to (c) Yes, Sir. The revised outlay for Karnataka in 1995-96 was reduced to Rs. 3100 crores compared to orginally approved outlay of Rs. 3575 crores mainly because of shortfall in State's Own Resource and in assistance for externally aided projects. The revised outlays for Rajasthan and Gujarat were the same as orginally approved outlay while in case of Haryana it was less and in case of Maharashtra, it was more. The reduction in the size of the Plan of Karnataka in 1995-96 is likely to affect implementation of schemes/programmes in certain sectors. The plan outlays are decided keeping in view the resources availability and therefore, it is not possible to restore the plan to the original size.

Serious Unemployment Problem in the Country

1389. SHRI RAJUBHAI A. PARMAR: Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether the country is facing a serious unemployment problem with around 380 millioin unemployed persons at the end of the current century, reported in the Hindustan Times of January 21, 1997, under the caption "Big Bang";

(b) if so, whether any time-bound plan of action has been evolved to produce a perceptible dent in the unemployment situation by the end of the current century; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI YOGINDER K. ALAGH): (a) to (c) The amgnitude of open unemployment in 1993-94, accoridng to the 50th Round of NSS by ususal Principal Status is 9 million persons. The extent of underemployment as measured by the Current daily Status is 7432 million person days which corresponds approximately to underemployment of 20.4 million persons. The Ninth Plan envisages a significant reduction in this.

Recognising the high incidence of underemployment and increasing casualisation of labour, there is need to enhance employment opportunities for the poor. In this context, the Ninth Plan will implement a National Employment Assurance Scheme.

Greater productive employment will be generated in the growth process itself by concentrating on sectors, sub-sectors and technologies which are labour intensive, in regions characterised by higher rates of unemployment and underemployment. Improvements in the quality of employment can which be achieved only in situation of rapidly growing productivity to which the labour can lay a just claim.

Preparation of National Income Estimates

1390. SHRI ASHOK MITRA: Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) the major features of the methodology on the basis of which the Central Statistical Organisation prepares national income estimates;

(b) whether reservations have been expressed by the economists and statisticians on the choice of price deflators used to arrive at the estimates of national income at constant prices; and

(c) whether Government are considering to set up an expert committee to review the underlying issues?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI YOGINDER K. ALAGH): (a) Major features of the methodology as set down by an expert body are given in the Statement (*See* below).

(b) No, Sir. Most serious economists and statisticians are aware of the details

of the methodology used, originally set down by very distinguished economists.

(c) There already exists an Advisory Committee on National Accounts headed by an eminent economiist with official and non-official members which reviews all underlying issues on a continuous basis. This Committee has been chaired in the past by very distinguished economists like Prof. Moni Mukherjee, Prof. V. M. Dandekar and Prof. C. H. Hanumantha Rao. It was recently chaired by Prof. Y. K. Alagh, in his capacity as a professional economist and after joining the Council of Ministers, he resigned and it is now chaired by the distinguished economists Dr. R. Mohan, Director General, National Council of Applied Economic Research.

Statement

Major features of the methodology of estimation of National Income

The national income is estimated by a mixed approach. For commodity producing sectors, production approach is followed, *i.e.* value of output at factor cost price less value of intermediate material inputs at market price. For service sectors, income approach is adopted *i.e.* the sum total of the factor incomes. Commodity output estimates of the agricultural sector, industrial production estimates and other data are used as and when they become available.

For services sectors, estimates for the organised and unorganised components are prepared separately. For the organised part, current data from the budget documents, annual reports etc. are used. For the unorganised components results of follow-up surveys of the Economic Census are used. Value added per worker estimated from the surveys are multiplied by the work force estimates based on the population census to arrive at the value added.

The estimates are prepared both at current prices and at constant (1980-81) prices. For estimating constant price estimates, appropriate price deflators are used. In some cases, the base year estimates are moved with the help of an appropriate physical indicator to arrive at the constant price estimates. In case of agriculture and allied activities, the constant price estimates are obtained utilising the quantities of various items of the current year and corresponding prices in the base year.

People Living Below and Above the Poverty Line

1391. SHRIMATI JAYANTI PATNAIK: Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) the number of people in the country living below the poverty line at the end of the Seventh Five Year Plan;

(b) the number of people who improved their lot and were brought above the poverty line during the Eighth Five Year Plan;

(c) whether any steps are being taken by Government to implement poverty alleviation schemes during the Ninth Five Year Plan; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI YOGINDER K. ALAGH): (a) and (b) The Planning Commission estimates the number of people living below the poverty line using quinquennial National Sample Survey data on consumer expenditure. The latest estimates of poverty are base on the quinquennial survey held in 1993-94. As such, the estimates at the end of the Seventh Five Year Plan (1985—90) and the Eighth Five Year Plan (1992—97) are not available. However, using the three closest years, 1983-84, 1987-88 and 1993-94 based on the methodology recommended by the Task Force on Projections of Minimum Needs and Effective Consumption Demand, it is observed that the number of poor has come down from